

AMENDED IN ASSEMBLY AUGUST 1, 2016

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1425

Introduced by Senator Pavley

February 19, 2016

An act to add ~~Section 39732 to the Health and Safety Part 6 (commencing with Section 71420) to Division 34 of the Public Resources Code, relating to greenhouse gases.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1425, as amended, Pavley. Water-energy nexus registry.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and ~~regulations~~ *regulating* sources of emissions of greenhouse gases. *Existing law creates the California Environmental Protection Agency, consisting of various boards, offices, and departments, including the state board.*

Existing law, until 2008, established the former California Climate Action Registry to carry out specified actions, including, among others, helping various entities in the state to establish emissions baselines, encourage voluntary actions to increase energy efficiency and reduce greenhouse gas emissions, and recognize, publicize, and promote participants in the registry.

This bill would require the ~~state board, in consultation with relevant state agencies and a specified nonprofit organization, agency to develop~~ *oversee the development of* a registry ~~of~~ *for* greenhouse gas emissions resulting from the water-energy nexus using the best available ~~data, as specified, including~~ *data*. *The bill would require the agency to enter into a contract with the Climate Registry to develop and administer the*

registry, which would include, among other things, the above-stated actions of the former California Climate Action Registry as those relate to the water-energy nexus.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Water and energy resources are inextricably connected. This
- 4 relationship is known as the water-energy nexus.
- 5 (b) The energy used to drive the state's water system accounts
- 6 for nearly 20 percent of the total electricity usage and 30 percent
- 7 of nonpower-related natural gas consumed and includes, among
- 8 other things, the fuels used to power groundwater pumps,
- 9 transportation, and treatment and disposal systems for water and
- 10 wastewater; the heating and cooling of water in buildings and other
- 11 facilities; the delivery of water; and end uses. There are known
- 12 gaps in quantifying greenhouse gas emissions associated with that
- 13 energy usage.
- 14 (c) The water used to drive the state's energy system represents
- 15 a substantial portion of our state water demand and includes, among
- 16 other things, the water used to turn turbines for hydropower, to
- 17 produce steam and cooling systems for thermoelectric power, and
- 18 to extract and refine oil and ~~gas~~, gas.
- 19 (d) Consequently, saving water saves energy and vice versa.
- 20 (e) Because the production of energy often results in the
- 21 emission of greenhouse gases, there is substantial potential for
- 22 emissions reductions in the water system.
- 23 (f) While energy usage has historically been a fundamental
- 24 element in the planning and development of the state's water supply
- 25 systems, there are new opportunities for improving this linkage to
- 26 reduce water-related greenhouse gas emissions. New projects that
- 27 best serve water and energy investments can maximize greenhouse
- 28 gas emissions reductions.
- 29 (g) It is the intent of the Legislature, in enacting this ~~aet~~,
- 30 *measure*, to do both of the following:

1 (1) More closely integrate the planning for ~~water, energy, and~~
2 ~~water and energy to reduce~~ greenhouse gas ~~emissions reductions.~~
3 ~~emissions.~~

4 (2) Recognize innovative projects and programs that reduce the
5 ~~carbon~~ greenhouse gas intensity of our water system.

6 SEC. 2. ~~Section 39732 is added to the Health and Safety Code,~~
7 ~~to read:~~

8 39732. (a) ~~For purposes of this section, the following terms~~
9 ~~have the following meanings:~~

10 (1) ~~“The Climate Registry” means the nonprofit organization~~
11 ~~that is a successor to the California Climate Action Registry~~
12 ~~(former Chapter 6 (commencing with Section 42800) of Part 4, as~~
13 ~~added by Section 1 of Chapter 1018 of the Statutes of 2000).~~

14 (2) ~~“Registry” means the water-energy nexus registry established~~
15 ~~pursuant to this section.~~

16 (b) (1) ~~The State Air Resources Board, in consultation with~~
17 ~~other relevant state agencies and The Climate Registry, shall~~
18 ~~develop and administer a registry of greenhouse gas emissions~~
19 ~~resulting from the water-energy nexus using the best available~~
20 ~~data.~~

21 (2) ~~Participation in the registry shall be voluntary and open to~~
22 ~~any entity conducting business in the state. A participating entity~~
23 ~~may register its emissions, including emissions generated outside~~
24 ~~of the state, on an entitywide basis and may utilize the services of~~
25 ~~the registry.~~

26 (c) ~~In administering the registry, the State Air Resources Board~~
27 ~~shall do all of the following:~~

28 (1) ~~Help participating entities in the state to establish emissions~~
29 ~~baselines.~~

30 (2) ~~Encourage voluntary actions to increase water and energy~~
31 ~~efficiency measures to reduce the carbon intensity of the state’s~~
32 ~~water system.~~

33 (3) ~~Enable participating entities to record voluntary entitywide~~
34 ~~greenhouse gas emissions reductions made after 1990 in a~~
35 ~~consistent format that is supported by third-party verification.~~

36 (4) ~~Ensure that sources in the state receive appropriate~~
37 ~~consideration for entity-level verified emissions reductions under~~
38 ~~potential future regulatory regimes or qualification for financing~~
39 ~~opportunities relating to greenhouse gas emissions.~~

1 ~~(5) Recognize, publicize, and promote participating entities~~
2 ~~making voluntary reductions of greenhouse gas emissions.~~

3 ~~(6) Recruit broad participation in the registry from all economic~~
4 ~~sectors and regions of the state.~~

5 SEC. 2. *Part 6 (commencing with Section 71420) is added to*
6 *Division 34 of the Public Resources Code, to read:*

7
8 **PART 6. WATER-ENERGY NEXUS REGISTRY**
9

10 71420. *For purposes of this part, the following terms have the*
11 *following meanings:*

12 (a) *“Agency” means the California Environmental Protection*
13 *Agency.*

14 (b) *“The Climate Registry” means the nonprofit organization*
15 *that is a successor to the California Climate Action Registry*
16 *(former Chapter 6 (commencing with Section 42800) of Part 4 of*
17 *Division 26 of the Health and Safety Code, as added by Section 1*
18 *of Chapter 1018 of the Statutes of 2000).*

19 (c) *“Registry” means the water-energy nexus registry developed*
20 *pursuant to this part.*

21 71422. (a) (1) *The agency shall oversee the development of*
22 *a registry for greenhouse gas emissions that result from the*
23 *water-energy nexus using the best-available data.*

24 (2) *Participation in the registry shall be voluntary and open to*
25 *any entity conducting business in the state. A participating entity*
26 *may register its emissions, including emissions generated outside*
27 *of the state, on an entitywide basis and may utilize the services of*
28 *the registry.*

29 (b) *The agency shall enter into a contract with the Climate*
30 *Registry to do all of the following:*

31 (1) *Develop, in consultation with the agency and other relevant*
32 *state agencies, the registry through a public stakeholder process,*
33 *as determined by the agency. In developing the registry, the*
34 *Climate Registry shall consider greenhouse gas emissions*
35 *accounting methodologies developed as part of programs*
36 *authorized pursuant to the California Global Warming Solutions*
37 *Act of 2006 (Division 25.5 (commencing with Section 38500) of*
38 *the Health and Safety Code).*

39 (2) *Help participating entities in the state to establish emissions*
40 *baselines.*

1 (3) *Encourage voluntary actions to increase water and energy*
2 *efficiency measures to reduce the greenhouse gas intensity of the*
3 *state's water system.*

4 (4) *Enable participating entities to record voluntary entitywide*
5 *greenhouse gas emissions reductions in a consistent format that*
6 *is supported by third-party verification.*

7 (5) *Recognize, publicize, and promote participating entities*
8 *making voluntary reductions of greenhouse gas emissions.*

9 (6) *Recruit broad participation in the registry from all economic*
10 *sectors and regions of the state.*

11 (7) *Facilitate streamlined data reporting for relevant entities*
12 *already reporting to the Climate Registry as part of its voluntary*
13 *corporate greenhouse gas emissions reporting program.*

14 71424. *Entities participating in the registry may qualify for*
15 *financing opportunities that provide incentives to reduce*
16 *greenhouse gas emissions and are consistent with Section 39712*
17 *of the Health and Safety Code.*